

CANADIAN POWER &
PAPER INVESTMENTS
LIMITED

ANNUAL REPORT

FOR THE YEAR ENDING
DECEMBER 31st
1931

Head Office:
355 ST. JAMES STREET
MONTREAL

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Canadian Power & Paper Investments, Limited



Annual Report

For the Year Ending December 31st, 1931



OFFICERS

President

A. J. NESBITT, Montreal

Vice-President

P. A. THOMSON, Montreal

Directors

J. S. AIRD	Montreal
A. J. NESBITT	Montreal
M. A. THOMSON	Montreal
P. A. THOMSON	Montreal
JAS. B. WOODYATT	Montreal

Secretary

L. C. HASKELL

Treasurer

CHAS. JOHNSTONE

Assistant Secretary

V. J. NIXON

Assistant Treasurer

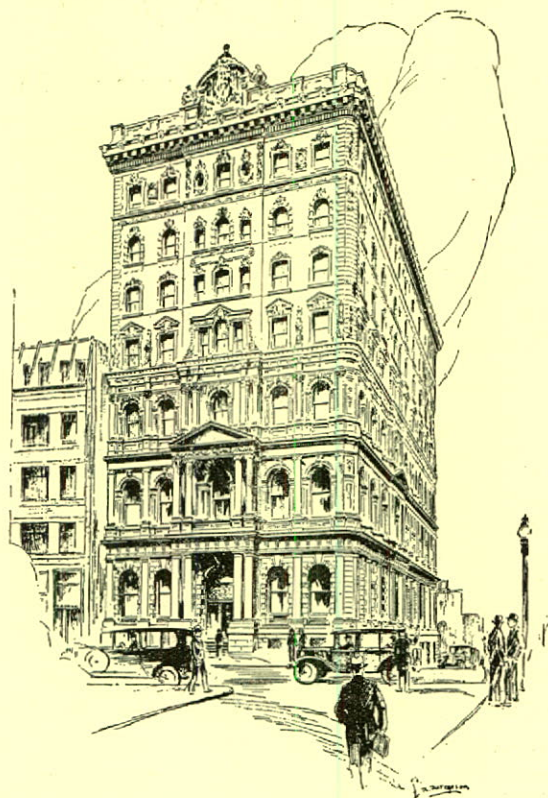
F. D. LAMONT

Fiscal Agents

NESBITT, THOMSON & COMPANY, LIMITED

Auditors

P. S. ROSS & SONS



Head Office:

CANADIAN POWER & PAPER INVESTMENTS, LIMITED

and its Fiscal Agents

NESBITT, THOMSON & COMPANY, LIMITED

355 St. James Street West

MONTREAL

Canadian Power & Paper Investments, Limited

22

March 14th, 1932.

TO THE SHAREHOLDERS:—

Your Directors present the following report covering the operations of your Company for the year ending December 31st, 1931. From the figures given in this report, it will be seen that Revenue from Investments for the year under review totalled \$336,941.81 against an amount of \$329,607.70 for the prior year.

After deducting expenses, interest on loans and debenture interest, a balance of \$86,843.72 remained, from which a further deduction was made of \$2,822.53, being the amount of Loss on Sale of Investments after applying the Investment Reserve which had previously been set up; this left a net balance in Income Account for the year of \$84,021.19, which has been transferred to Surplus.

During the year there was also added to the Surplus Account an amount of \$34,090.00, representing Capital Surplus on Debentures of your Corporation purchased by the Company and turned over to the Trustee for cancellation.

Prior year adjustments during the year accounted for a deduction of \$1,860.65, and dividends paid on five per cent Cumulative Preferred Shares \$104,166.68, leaving a net balance in Surplus Account at December 31st, 1931, of \$559,451.31.

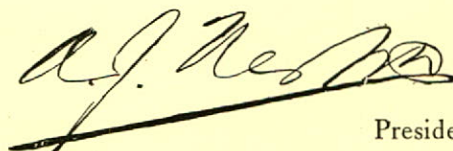
The Assets of your Company consist of Cash on Hand and Security Investments made up of bonds and preferred and common stocks of public utility and industrial companies throughout Canada, the United States and Foreign countries.

The continued decline in security values has had its effect on the value of the securities held by your Company, but your Directors would again point out that this decline in value is not an actual realized loss and will, no doubt, be recovered within a reasonable time, when security values gradually work back to higher levels than those at present prevailing.

Since the close of the fiscal year, your Directors have felt it advisable to defer the quarterly dividend on the 5% Cumulative Preferred Stock of your Company. This dividend is cumulative, and as soon as conditions warrant will again be paid.

The books and accounts of your Company have been audited by Messrs. P. S. Ross & Sons, Chartered Accountants, whose certificate is attached.

Respectfully submitted on behalf of the Board.



President.

CANADIAN POWER & PAP

Balance Sheet as at

ASSETS		
	1931	1930
Cash	\$ 6,621.23	\$ 32,147.62
Investments	8,203,268.94	7,722,159.83
The aggregate value of these Investments based on available Stock Exchange prices or estimated fair values at 31st December 1931 was \$2,701,739.49 less than the foregoing book value.		
Accrued Revenue on Investments	63,317.66	66,525.39
Prepaid Charges.	783.10	842.21
	<u>\$8,273,990.93</u>	<u>\$7,821,675.05</u>

Approved on behalf of the Board: A. J. NESBITT }
JAS. B. WOODYATT } Directors.

CANADIAN POWER AND PAPER INVESTMENTS, LIMITED

31st December, 1931

LIABILITIES

	1931	1930
Call Loans.	\$1,812,282.84	\$1,237,335.35
(Investments having a Book Value of \$3,646,419.41 Pledged as Collateral)		
Accounts Payable and Accrued Liabilities.	2,256.78	14,055.63
Accrued Interest on Debentures	50,000.00	52,083.30
Accrued Dividend on Preferred Stock		20,833.32
Five Per Cent Thirty-Year Debentures, Series "A" due 1st February 1958—		
Issued	\$2,500,000.00	
Purchased and Cancelled	100,000.00	
	<u>2,400,000.00</u>	<u>2,500,000.00</u>
Five Per Cent Cumulative Convertible Preferred Stock:		
Authorized 100,000 shs. \$50. each.	\$5,000,000.00	
Issued 50,000 shs. \$50. each.	2,500,000.00	2,500,000.00
Redeemable in whole or in part, at any time after 1st January 1934, at \$52.50 per share, plus accrued and unpaid dividends to date of redemption, on 60 days notice.		
Common Stock:		
Authorized 250,000 shs. No Par Value.		
Issued 100,000 shs. No Par Value.	950,000.00	950,000.00
Surplus	559,451.31	547,367.45
	<u>\$8,273,990.93</u>	<u>\$7,821,675.05</u>

AUDITORS' CERTIFICATE

To the Shareholders,
CANADIAN POWER AND PAPER INVESTMENTS, LIMITED,
Montreal.

We have audited the books of the Canadian Power and Paper Investments, Limited, for the year ended 31st December 1931, and have obtained all the information and explanations which we have required.

We certify that, in our opinion, the attached Balance Sheet at 31st December 1931 is drawn up so as to set forth a true and correct view of the financial position of the Company at that date, and that the Surplus Account reflects the results from operations for the year ended the same date, according to the best of our information, the explanations given to us and as shown by the books of the Company.

MONTREAL, QUE., 18th February 1932.

(Signed) P. S. ROSS & SONS,
Chartered Accountants.

Canadian Power & Paper Investments, Limited



Profit and Loss Account

For the Year Ended 31st December, 1931



Dividends and Interest from Investments.....		\$336,941.81
LESS: Loss on Sale of Investments.....	\$141,444.55	
Deduct Investment Reserve.....	138,622.02	
		2,822.53
		\$334,119.28
LESS: Expenses.....	\$ 23,720.71	
Interest on Loans.....	103,460.68	
Interest on Debentures.....	122,916.70	
		250,098.09
Transferred to Surplus Account.....		<u>\$ 84,021.19</u>



Surplus Account

For the Year Ended 31st December, 1931



Balance at Credit 31st December, 1930.....	\$547,367.45
DEDUCT: Adjustments pertaining to the Year 1930.....	1,860.65
	\$545,506.80
ADD: Profit as per Profit and Loss Account for the year ended 31st December, 1931.....	84,021.19
Profit arising from Purchase and Cancellation of Debentures.....	34,090.00
	\$663,617.99
DEDUCT: Dividends on 5% Cumulative Preferred Shares for the period 1st January to 31st October 1931.....	104,166.68
Balance at Credit 31st December, 1931.....	<u>\$559,451.31</u>

Canadian Power & Paper Investments, Limited

Comparative Statement of Earnings

For Years Ending 31st December

	1928	1929	1930	1931
Revenue.....	\$144,607.09	\$275,205.63	\$329,607.70	\$336,941.81
Profits realized from Investments less appropriation to Investment Re- serve.....	323,900.26	241,012.45	D. 5,668.38	D. 2,822.53
	468,507.35	516,218.08	323,939.32	334,119.28
Expenses.....	11,111.98	30,372.52	24,582.44	23,100.71
Interest.....			20,863.77	103,460.68
Taxes.....	1,750.00	1,032.18	1,517.26	620.00
	12,861.98	31,404.70	46,963.47	127,181.39
	455,645.37	484,813.38	276,975.85	206,937.89
LESS: Interest on Debentures.....	101,754.05	125,000.00	125,000.00	122,916.70
Reserve for Income Tax.....	25,000.00			
	126,754.05	125,000.00	125,000.00	122,916.70
	328,891.32	359,813.38	151,975.85	84,021.19
ADD: Profit arising from purchase and cancellation of De- bentures.....				34,090.00
	328,891.32	359,813.38	151,975.85	118,111.19
LESS: Preferred Dividends.....		109,181.35	125,000.00	104,166.68
Surplus for the Year.....	328,891.32	250,632.03	26,975.85	13,944.51
ADD: Previous Balance.....	D. 19,448.14	A. 268,525.43	A. 520,391.60	A. 545,506.80
Surplus Carried Forward.....	<u>\$309,443.18</u>	<u>\$519,157.46</u>	<u>\$547,367.45</u>	<u>\$559,451.31</u>

A. Adjusted.

D. Deficit.

